

Committee: Community

Agenda Item

Date: September 18, 2008

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Title: HOUSING POLICY LAND DISPOSAL

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Item for decision

Summary

1. This report advises Members of the current position relating to sites in: Manor Road, Stansted; Coney Acre, Rickling; and Waldgrooms, Great Dunmow.
2. Officers have been working in partnership with Flagship Housing Association over scheme design proposals for the land at all the above sites. In order to make the scheme more affordable and enable officers to negotiate nomination rights it is proposed that the land is transferred at nil value to the preferred RSL. This would equate to the Council's contribution to the scheme.

Recommendations

3. That the sites at Manor Road, Coney Acre and Waldgrooms be transferred to a RSL at nil value for the development of homeless accommodation and affordable housing for rent subject to planning consent and successful Housing Corporation bid for funding.

Background Papers

4. The following papers were referred to by the author in the preparation of this report and are available for inspection from the authors of the report.
 - Housing Strategy Statement
 - Housing Needs Survey
 - Reports and Minutes to Health and Housing Committee 2005, Community Committee 2006/07 and 2007/08 and Housing Strategy Working Group 2005/06

Impact

5.

Communication/Consultation	Communication/consultation has taken place
Community Safety	Safety needs to be considered if building goes ahead

Equalities	Equality and diversity is a key issue for the Council with regards to housing provision
Finance	Will impact on the Capital programme
Human Rights	n/a
Legal implications	Required relating to property issues
Sustainability	Will encourage the development of a stable and sustainable local community
Ward-specific impacts	Stansted, Rickling, Great Dunmow
Workforce/Workplace	Significant project for the planning and housing policy team

Situation

6. In September 2007 Community Committee recommended that the site plans for Coney acre, Rickling and Waldgrooms, Great Dunmow be agreed and planning permission be sought. Plans have been worked up on this basis that the land is transferred at nil value as outlined in the financial implications of the Committee Report.
7. In June 2007 the site plan for short stay managed accommodation at Manor Road, Stansted was also agreed and planning permission sought again on the basis of the land being gifted to a Housing Association in exchange for the provision of Affordable Housing.
8. Planning permission has now been approved for the site at Manor Road, and plans are ready to be submitted on the other two sites. Officers would like to progress these projects and will need members of the Community's approval to transfer the land at nil value. If approved this will then need to go to full Council.
9. As background, in the past the Council has agreed to dispose of land to RSLs at less than open market value to ensure the continued delivery of affordable homes in the district. The Housing Corporation has developed a Grant Index (GI) to quantify certain value for money aspects of the scheme. The GI measures the relative cost of grant per home which provides a key value for money measure for each scheme and takes into account factors which ensure an equality of outcomes between different bidders and different schemes. A lower GI represents better value for money. If the land is transferred at nil or affordable housing value, the scheme will gain a lower GI, be seen to represent better value for money by the Housing Corporation and be more likely to gain grant funding for affordable housing for rent.

10. The Council does not have sufficient Capital resources to fund the proposed development of these sites. Therefore if the land is not transferred to a RSL the Council will be left with vacant sites which are only likely to attract vandalism compounded by a failure to meet local housing needs. If they are used for new affordable housing it will contribute towards one of the Council's priorities and an LAA target. In addition transferring the land at nil or affordable housing value is perceived by the Housing Corporation as the Council's commitment to the scheme as a corporate priority.

Financial Implications

11. It should be noted that the disposal of any housing property will be subject to pooling arrangements. Any pooling of non-RTB receipts can be reduced by way of a Capital Allowance on a regeneration project and can still be used against an unspent Capital Allowance for Vicarage Mead.

Environmental Implications

12. The proposal will transform derelict sites and will provide much needed affordable housing for rent. It will also encourage the development of a stable and sustainable local community.

Risk Analysis

13.

Risk	Likelihood	Impact	Mitigating actions
The Council will fail to meet local housing needs.	4	4	The land is transferred at nil value to the preferred RSL
The Council will be left with vacant sites which are only likely to continue to attract fly tipping and vandalism	4	4	The land is transferred at nil value to the preferred RSL

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.